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HOUSE BILL 758 By
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SENATE BILL 1270
By Cohen

AN ACT to amend Tennessee Code Annotated, Section 8-21-1001; Title 66, Chapter 25, Part 1 and Title 66, Chapter 24, relative to release of liens.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 66-25-115, is amended by inserting the following language at the end of the section:

No holder shall make any charge to any borrower or any borrower's agent for such release or for the furnishing of any statement, whether by mail, facsimile transmission, electronic mail or otherwise, showing the amount necessary to obtain a release. Any demand by a borrower or borrower's agent for a balance statement or statement showing the amount necessary to obtain a release shall be furnished to the borrower or to the borrower's agent within forty-eight (48) hours of the request.

SECTION 2. Tennessee Code Annotated, Section 66-25-102, is amended by adding the following language as a new subsection as follows:

(d) In the event two (2) or more requests have been made, in writing, to the holder of the debt, and the holder has neglected or refused to release the lien as required by this section, then the debtor or his agent shall have the option to file with the

register's office in the county where the lien was filed, an Affidavit of Payment. This affidavit shall state under oath the facts indicating payment by the debtor or their agent and include as exhibits:

- (1) a copy of the written requests for release; and
- (2) a copy of a written statement from the holder showing the amount necessary to pay the underlying debt; and
- (3) a copy of the cancelled check to the holder showing the endorsement of the holder or its agent.

A copy of the affidavit shall be sent to the holder at its last ascertainable address, after recording.

SECTION 3. Tennessee Code Annotated, Section 66-24-101(9), is amended by designating the existing language as subdivision (A), and by adding the following language to be designated as subdivision (B):

(B) An Affidavit of Payment filed pursuant to the provisions of §66-25-102(d);

SECTION 4. Tennessee Code Annotated, Section 8-21-1001(5), is amended by designating the existing language as subdivision (A), and by adding the following language to be designated as subdivision (B):

(B) The same fee authorized in subdivision (A) shall apply to the same extent as authorized for documents filed under such subdivision to each and every affidavit of payment filed pursuant to the provisions of §66-25-102(d);

SECTION 5. This act shall take effect July 1, 2001, the public welfare requiring it.